

Mr. Chairman, Members of the Committee, I am Dan Ward, a peanut, tobacco, corn and soybean farmer from Bladen County, North Carolina. Today I am speaking on behalf of the North Carolina Peanut Growers Association. I am currently serving as Treasurer and a member of the Executive Committee. I want to thank you and the Committee for coming to North Carolina and holding these hearings. I appreciate the opportunity to speak today.

Last year, together with my father, we planted 92 acres of tobacco, 175 acres of peanuts, 1,336 acres of corn and 165 acres of soybeans. Today I would like to address how the 2002 Farm Bill has affected my farming operation and how it has affected peanut production in North Carolina.

When the Peanut Quota System was ended in 2002, North Carolina had planted 125,000 acres of peanuts in 2001. In 2005, North Carolina planted 91,000 acres. Virginia planted 75,000 in 2001 and 22,000 in 2005. South Carolina on the other hand, went from 11,000 in 2001 to 59,000 in 2005. The North Carolina numbers don't tell the whole story of what happened. In North Carolina there was a shift in where the peanuts were planted. In 2001, peanuts were planted in 28 counties, but in 2005 peanuts were planted in 39 counties. Northampton county, located in the northeastern part of the state, was the number 1 county with 20,228 acres of peanuts, but in 2005 only planted 4,508 acres of peanuts. On the other hand, Columbus county in the southeastern part of the state, planted 753 acres in 2001 and in 2005 planted 5,946 acres of peanuts. Other counties in the central coastal plain also increased their acres or planted peanuts for the first time.

There were several reasons for the shift, one of which was the planting flexibility provided in the 2002 Farm Bill. For some peanut farmers, cotton was a better option than peanuts. Some were not satisfied with the price and decided to sit out a year or two. Some wanted to stretch their rotation. Because of the decoupling of payments they were able to make that decision based on market conditions and production costs.

Counter-cyclical and direct payments are of utmost importance to North Carolina Farmers. Without target price protection, many of the state's farmers would be out of business. The marketing loan program for peanuts is working well. I hope the target price and loan rate will be retained. Since counter-cyclical payments are market price sensitive, they are higher in times of low prices, when the farmer needs them most.

Because of the way the peanut provision of the 2002 Farm Bill was scored, an important part of the loan program, storage and handling, will not apply to 2007 crop peanut loans. Peanuts are a semi-perishable crop, and in order to protect the producers and allow orderly marketing, storage and handling are necessary. They have been an important part of the loan program and should be restored for the 2007 crop year and included in the peanut provision of the next bill.

An important part of the loan program is the producers' ability to get the loan in a timely manner at the FSA office. I hope that Congress will adequately fund FSA to allow staffing at the level necessary to continue the excellent service that the agency has provided in the past.

North Carolina, like most of the southeastern United States, is a very agriculturally diverse state. Farms are getting larger because of economics. Larger farms mean larger amounts of personal money put at risk. Critics of the current level of payment limits fail to recognize how important these payments are to minimizing risk. North Carolina's corporate farms are family farms. Please help us: keep the payment limit provisions just like they are.

Conservation programs have helped farmers comply with wetland and highly erodible requirements. But there is no way that they can replace direct or counter cyclical payments. I hope the Committee will fight any effort by trade negotiators to replace these payments with so-called green payments. I can't feed my family on grass waterways.

I hope that our trade negotiators do not treat agriculture as a chip to be thrown in exchange for concessions from other countries. I know that there are many facets to the trade negotiations, but the basic underpinning to our economy is agriculture. The proposed 60% reduction in US agricultural supports would be devastating to Americas farmers.

The 2002 Farm Bill instructed USDA to set the repayment rate at a level that would allow peanuts to move freely into the domestic and export market. Since 2002 our peanut exports have declined drastically because the repayment rate has been too high to compete on the export market.

We support country of origin labeling for peanuts and peanut butter. If my underwear must be country of origin labeled, I think the American consumer should know where the peanut butter in their child's PB&J sandwich was produced.

Mr. Chairman, I know it will be hard to please everyone when writing a new Farm Bill, but you have an excellent starting place if you use the 2002 bill as your guide. I hope that the American farmer will not be hit twice: once by reductions in a new Farm Bill, and again by a new WTO agreement. For that reason, extension of the current Bill would allow you to assess any reductions mandated by a trade agreement before writing a new Farm Bill.

Mr. Chairman , I want to thank you and the Committee for your dedication to U.S. agriculture in the past and the work you are doing now. I hope that you are successful in writing a new Farm Bill that will benefit the American farmer and protect the consumers' access to reasonably priced, high quality and safe food.

Committee on Agriculture
U.S. House of Representatives
Required Witness Disclosure Form

House Rules* require nongovernmental witnesses to disclose the amount and source of Federal grants received since October 1, 2004.

Name: Wilbur Daniel Ward

Address: P.O. Box 863 Clarkton, NC 28433

Telephone: (910) 647-0353

Organization you represent (if any): North Carolina Peanut Growers
Association (NCPGA)

1. Please list any federal grants or contracts (including subgrants and subcontracts) you have received since October 1, 2004, as well as the source and the amount of each grant or contract. House Rules do **NOT** require disclosure of federal payments to individuals, such as Social Security or Medicare benefits, farm program payments, or assistance to agricultural producers:

Source: None Amount:

Source: None Amount:

2. If you are appearing on behalf of an organization, please list any federal grants or contracts (including subgrants and subcontracts) the organization has received since October 1, 2004, as well as the source and the amount of each grant or contract:

Source: None Amount:

Source: None Amount:

Please check here if this form is NOT applicable to you:

Signature: Dan Ward

* Rule XI, clause 2(g)(4) of the U.S. House of Representatives provides: Each committee shall, to the greatest extent practicable, require witnesses who appear before it to submit in advance written statements of proposed testimony and to limit their initial presentations to the committee to brief summaries thereof. In the case of a witness appearing in a nongovernmental capacity, a written statement of proposed testimony shall include a curriculum vitae and a disclosure of the amount and source (by agency and program) of each Federal grant (or subgrant thereof) or contract (or subcontract thereof) received during the current fiscal year or either of the two previous fiscal years by the witness or by any entity represented by the witness.

PLEASE ATTACH DISCLOSURE FORM TO EACH COPY OF TESTIMONY.

Dan Ward

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DAN WARD

Physical Address for last 4 years: 579 Burney Ford Rd., Clarkton, NC 28433

Mailing Address: P.O. Box 863 Clarkton, NC 28433

Married to Julie M. Ward for 14 years, we have two daughters, Emily, age 12 and Abby, age 7

Lifelong member of Clarkton Presbyterian Church. Served as Deacon and currently serving as Elder.

EDUCATION

1981	Graduated from Clarkton High School
1986	Graduated from North Carolina State University BS in Biological & Agricultural Engineering

ADDITIONAL TRAINING

Graduate of the 1992-1994 Philip Morris Agricultural Leadership Development Program
Completed the Zeneca Leadership program for young peanut farmers in 2000

WORK EXPERIENCE

1986 - Present	I am involved with the family farming operation. I have been a partner in the grain and peanut operations since 1986. Started a tobacco operation in 1990. The farm continues to produce peanuts, tobacco, corn and soybeans today.
2001 - Current.	I have served on the executive board of NC Peanut Growers Association for four years.
2002 - 2003	Served as vice president
2003 - 2004	Served as president
2005 - present	Currently serving as secretary
1987 - present	A member of the Bladen County Farmers organization for 18 years. I am currently serving second term as president.
1985 - present	I am a member of the North Carolina Farm Bureau for 20 years. I have served as chairman of the Bladen County Young Farmer & Rancher Committee.
2003 - present	I am currently a director of the Tobacco Growers Association of North Carolina.

COMMUNITY ORGANIZATIONS:

1998 - 2005	I am currently serving as vice chairman on the Bladen County Planning Board
1991 - 2001	I served on the Clarkton Library board for 10 years, and 7 as chairman.
1998 - 2003	I served as a committee member of the North Carolina Farm Fest of Clarkton committee.
1963 - present	I am a lifelong member of Clarkton Presbyterian Church. Served as a deacon for 12 years, currently serving as elder for 3 years.

AWARDS

Bladen County Outstanding Young Farmers in 1988
North Carolina Outstanding Tobacco Farmer for 2000.